



October 17, 2011

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: WC Docket No. 10-90; GN Docket No. 09-51; WC Docket
No. 07-135; WC Docket No. 05-337; CC Docket No. 01-92;
CC Docket No. 96-45; WC Docket No. 04-36

Dear Ms. Dortch:

On October 13, 2011, Steve Davis (Qwest), Kathy Grillo (Verizon), Peter Nixon (FairPoint), Kathleen Abernathy (Frontier), Bob Quinn (AT&T), Mike Rhoda (Windstream) and Walter McCormick and I (USTelecom) met with Eddie Lazarus and Zac Katz (Office of Chairman Genachowski), Sharon Gillett and Carol Matthey (Wireline Competition Bureau) and Michael Steffen (OGC).

We discussed the challenges of building and operating broadband networks in rural areas, and the particular network and economic challenges of extending broadband service to the remaining unserved areas of the country. Reforms of the current universal service and intercarrier compensation systems must ensure that the numbers work to provide communications services in the high-cost areas of our country. We discussed how the ABC Plan was carefully calibrated to meet the Commission's broadband goals within a strict budget and how it balanced the intercarrier compensation side of reform with the financial challenges posed by extending broadband into unserved areas and maintaining it in areas where support is essential to the continued operation of broadband networks. We further discussed how altering obligations that drive costs must be linked to corresponding alterations that drive support; costs cannot be increased while support revenues are decreased. We also discussed the challenges of creating the carefully balanced intercarrier compensation transition contained in the ABC Plan. As in previous intercarrier reform efforts, mandated rate reductions must be counterbalanced by opportunities to win new revenues. Altering the ABC Plan's approach to creating revenue recovery opportunities without providing offsetting opportunities threatens the support flows and careful ABC Plan transition to low intercarrier rates that creates a solid basis for broadband investment in rural areas.

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Pursuant to Commission rules, please include a copy of this filing in each of the above-referenced dockets.

Sincerely,

A handwritten signature in blue ink that reads "Jonathan Banks". The signature is fluid and cursive, with the first name "Jonathan" and the last name "Banks" clearly distinguishable.

Jonathan Banks

c: Eddie Lazarus
Zac Katz
Sharon Gillett
Carol Matthey
Michael Steffen